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*Attorneys for the Debtor*

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
AMARILLO DIVISION

In Re:	§	
	§	
Circle W of Dimmitt, Inc.,	§	Case No. 18-20127-rlj-11
	§	
<i>Debtor.</i>	§	Chapter 11 Proceeding
	§	

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In Re:	§	
	§	
Waggoner Cattle, LLC,	§	Case No. 18-20126-rlj-11
	§	
<i>Debtor.</i>	§	Chapter 11 Proceeding
	§	

**MOTION FOR INTERIM USE OF CASH COLLATERAL**

1. On April 9, 2018, the Debtors filed their voluntary petition for relief under Chapter 11 of the Bankruptcy Code. The Debtors are managing their respective business and affairs pursuant to Bankruptcy Code § 1107.

2. The Debtor, Circle W of Dimmitt, Inc. ("Circle W"), is operating arm for Waggoner Cattle, LLC, Bugtussle Cattle, LLC and Cliff Hanger Cattle, LLC, and it is managing the financial affairs of the above-mentioned companies. These four businesses are collectively referred to as the "businesses" or the "Debtors". Waggoner Cattle, LLC filed bankruptcy on April 9, 2018 and owns the cattle that generates income for the businesses; Bugtussle Cattle, LLC filed bankruptcy on April 9, 2018 under case number 18-20128-11 and owns the real estate, equipment and facilities for the cattle; and Cliff Hanger Cattle, LLC filed bankruptcy on April 9, 2018 under case number 18-20129-11 and is a defunct company but nevertheless is a co-debtor on the debts owed to Lonestar State Bank of West Texas located

in Lubbock, Texas (“Lone Star State Bank”) and Rabo AgriFinance, Inc. located in St. Louis, Missouri (“Rabo AgriFinance”).

3. Waggoner Cattle, LLC (“Waggoner Cattle”) buys, feeds and sells cattle. It also services cattle that are owned by other parties.

4. Prior to the bankruptcy cases being filed, Lone Star State Bank setoff the funds the Debtors held on deposit in Lone Star State Bank. Therefore the Debtors have no funds to operate its businesses. It is imperative that the Debtors immediately provide feed and medicine to the cattle.

5. In order to continue its cattle operations, it is necessary for the Debtor to obtain the use of cash collateral to cover the various expenses that are involved in maintaining the cattle under its control.

6. A summary of Debtors’ projected monthly income and expenses, for the month of April, 2018 is shown on attached Exhibits “A” and “B.” It is projected that at the end of the month, Circle W will have a cash balance of \$42,100.00, and Waggoner Cattle will have a cash balance of \$150,625.00.

7. On the filing date, the assets of the Debtors that are subject to the following secured claims:

- a. Lone Star State Bank has a lien on cattle, land and equipment to secure a claim in the approximate amount of \$12,800,000.
- b. Rabo AgriFinance claim a lien on cattle and land to secure a claim in the amount of approximately \$10,000,000.

Total. . . . . \$22,800,000

8. The Debtors request permission to use the above-described cash collateral in the normal course of their businesses. In consideration for such usage, the Debtors agree to the following terms:

a. To the extent of the amount of cash collateral used plus interest accrued thereon, Lone Star State Bank and Rabo AgriFinance will receive a replacement lien on and security interest in all post-petition acquired cattle.

b. Debtors agree to execute necessary security agreements, financing statements and assignments to provide Lone Star State Bank and Rabo AgriFinance with the replacement liens described

herein.

c. The Debtors will forward copies of the Monthly Operating Reports that are to be filed with the Bankruptcy Court and the Chapter 12 Trustee to a person or agency designated by Lone Star State Bank and Rabo AgriFinance.

d. The Debtor, Waggoner Cattle, will maintain an inventory of cattle of at least 7,000 head.

e. The Debtors believe that their business operations are subject to reorganization. The income projections indicate that the Debtors can confirm a feasible Chapter 11 Plan and make their plan payments.

f. Should Debtors be unable to make their payment to Lone Star State Bank and Rabo AgriFinance, then to the extent that Lone Star State Bank and Rabo AgriFinance are not adequately protected, Lone Star State Bank and Rabo AgriFinance will be granted a superpriority lien claim pursuant to 11 U.S.C. § 507(b).

**WHEREFORE**, Debtors-in-Possession respectfully requests the Court to enter an Order authorizing Debtors to use cash collateral, on an interim basis, consisting of Debtors' cattle. Debtors further request that the Court approve the terms of Debtors' use of cash collateral as set forth above. The Debtors also request that the Court set a final hearing on Debtors' request for use of cash collateral. It is also possible that the Debtors may request additional interim hearings. The Debtors ask for such other and further relief as the Court may deem necessary and proper.

Date: April 10, 2018

Respectfully submitted,

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By: /s/Max R. Tarbox  
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State Bar No. 19639950  
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**CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing *Motion* was served by either court enabled electronic service or regular first class U. S. Mail upon the following listed parties on this 10<sup>th</sup> day of April, 2018:

1. U. S. Trustee's Office  
RM 976, 1100 Commerce Street  
Dallas, Texas 75242
2. Circle W of Dimmitt, Inc.  
2936 U.S. Highway 385  
Dimmitt, TX 79027
3. All parties in interest registered with the  
U. S. Bankruptcy Court to receive electronic  
notices in this case.
4. All creditors and parties in interest  
listed on the attached mailing matrix.
5. Lone Star State Bank of West Texas  
Attn: Melissa Roberts  
6220 Milwaukee Avenue  
Lubbock, Tx 79424
6. Steve Hoard  
Mullin Hoard Brown LLP  
Amarillo National Plaza Two  
500 South Taylor, Lobby Box #213  
Amarillo, TX 79101-5086  
*Attorneys for*  
*Lone Star State Bank of West Texas*
7. Rabo AgriFinance  
P.O. Box 790077  
St. Louis, MO 63179-0077  
Attn: Neal Barton  
2732 82<sup>nd</sup> Street, Suite B  
Lubbock, Texas 79423
8. Roger Becker  
Rabo AgriFinance  
1910 S Stapley Dr  
Suite 205  
Mesa, AZ 85204

/s/ Max R. Tarbox  
Max R. Tarbox

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